UNITED
NATIONS

S

Security Council

Distr.
GENERAL

S/1994/1422
15 December 1994

ORIGINAL: ENGLISH

NOTE BY THE SECRETARY-GENERAL

The Secretary-General has the honour to transmit to the Security Council a report submitted by the Executive Chairman of the Special Commission established by the Secretary-General, pursuant to paragraph 9 (b) (i) of Security Council resolution 687 (1991).

94-50308 (E) 161294 19/12/94

/...

Annex

Eighth report of the Executive Chairman of the Special Commission established by the Secretary-General pursuant to paragraph 9 (b) (i) of Security Council resolution 687 (1991), on the activities of the Special Commission

I. INTRODUCTION

1. The present report is the eighth on the activities of the Special Commission established by the Secretary-General pursuant to paragraph 9 (b) (i) of Security Council resolution 687 (1991), submitted to the Security Council by the Executive Chairman of the Commission. It is the seventh such report provided in accordance with paragraph 3 of Security Council resolution 699 (1991). It covers the period from 10 June to 9 December 1994, and is further to the reports contained in documents S/23165, S/23268, S/24108 and Corr.1, S/24984, S/25977, S/26910 and S/1994/750.

2. As noted in the report contained in document S/1994/1138 and Corr.1 submitted under Council resolution 715 (1991), during the six months to October 1994, the Commission allocated the bulk of its resources to the establishment of the ongoing monitoring and verification system. Since the time of that report, the Commission has been forced to redirect more of its total resources to resolving outstanding issues in relation to the past programmes and to the establishment of the export/import mechanism required under paragraph 7 of Security Council resolution 715 (1991). Even so, a large part of the developments to be covered in the present report have already been addressed in the October report. Consequently, there is considerable overlap between the two reports.

II. DEVELOPMENTS

A. General

3. Much has been achieved in the period under review. The Commission has moved on from the initial stages of establishing the system of ongoing monitoring and verification to a stage where the system is provisionally operational and its efficacy is being tested. Interim monitoring in the biological area began in December 1994. In addition, the Commission has advanced its understanding of the past programmes and has pursued the establishment of an export/import mechanism for dual-purpose items as defined by the plans for ongoing monitoring and verification. The political dialogue between the Commission and Iraq has continued; high-level meetings, both general and technical, were held in New York in July, September, October and November and in Baghdad in July, October and November 1994.

4. The emphasis of the Commission's efforts in this period was clearly to establish the ongoing monitoring and verification system. This required the collation and analysis of data about Iraq's dual-purpose capabilities, the

preparation of monitoring and verification protocols for each site to be monitored, the inventorying and tagging of identified dual-purpose items, the installation of sensors, the establishment of the Baghdad Monitoring and Verification Centre and communications with remote-controlled sensors, and the dispatch of resident monitoring groups to Iraq to serve in the Centre.

5. Concurrent with this major effort, the Commission followed through on the understanding reached with Iraq in October 1993 to resolve outstanding issues related to Iraq's past proscribed programmes in parallel with the establishment of ongoing monitoring and verification. In this regard, further discussions were held with Iraq, Iraqi personnel were interviewed, the Commission obtained some limited additional documentation from Iraq and further inspections were conducted. Furthermore, the Commission intensified greatly its contacts with supporting and supplier Governments as part of its efforts to corroborate, in the absence of direct supporting evidence from Iraq itself, Iraqi accounts of its imports for the past programmes. Analysis of the data available to the Commission from all these sources has indicated new avenues of investigation to pursue in order to obtain an independently verified account. In many instances, new information obtained by the Commission contradicted the accounts given by Iraq. Detailed, complete and accurate data on previous imports of prohibited and dual-purpose items is necessary to fulfil the mandate to account fully for Iraq's past proscribed capabilities and to ensure a comprehensive ongoing monitoring and verification system covering all of Iraq's dual-purpose capabilities.

6. Considerable effort was also expended on another aspect of the Commission's work, completion of which is a prerequisite for fulfilling the terms for the lifting of the sanctions - development of the concept and operational plan for the export/import mechanism required under paragraph 7 of Security Council resolution 715 (1991). Further seminars were held with international experts to elaborate the items to be covered by the mechanism and to create a practical, effective and durable system.

7. Iraq was, during the period under report, generally cooperative in the Commission's efforts to establish the physical aspects of ongoing monitoring and verification. Access was provided to all sites designated by the Commission for inspection and to personnel involved. Iraq provided much support for the installation of monitoring sensors, for the inventorying and tagging of dual-purpose items, for the construction of the Baghdad Monitoring and Verification Centre and for the establishment of communications between the Centre and the remote-controlled sensors.

8. However, Iraq's attitude to the provision of data and supporting evidence still fell far short of its obligation to provide full, final and complete disclosures of its past proscribed programmes and of its current and recent dual-purpose capabilities subject to ongoing monitoring and verification. It appears that many of Iraq's declarations are incomplete and sometimes contradictory. The Commission has both direct and indirect evidence that Iraq is still failing to declare equipment and materials acquired for and capable of use in proscribed programmes and that its accounts of certain of its projects do not reflect their true purpose and their role as part of now proscribed weapons programmes. In general, in relation to the past programmes, Iraq has not

volunteered information and has shown marked lack of transparency, disclosing information only when confronted with evidence by the Commission. Iraq maintains its claim, not believed by the Commission, that it has destroyed all documentation related to these programmes and that no other tangible proofs exist to support its accounts. Indeed, events of the past six months have strengthened the Commission's conviction that important documentation still exists and that the Iraqi authorities have taken the conscious decision not to release it freely to the Commission. In any case, Iraq has not fulfilled its undertaking to resolve all outstanding issues in relation to the past programmes in parallel with the establishment of ongoing monitoring and verification. The importance of doing so has been repeatedly impressed upon Iraq at each of the high-level meetings referred to above, as has the need for Iraq to provide documentation and supporting evidence.

9. The situation is better in relation to declarations required under the plan for ongoing monitoring and verification. Generally, despite omissions and inconsistencies, these declarations have been sufficient to permit the initiation of ongoing monitoring and verification. However, early in the reporting period, major problems continued in the biological area, where incomplete declarations, the failure to declare all equipment and materials which should be monitored, together with a failure to declare movement, repair or modification of equipment between inspections, resulted in a situation where the establishment of reliable baseline data from which to start monitoring was not possible. This, clearly, delayed the initiation of ongoing monitoring and verification in the biological area. However, in November 1994, Iraq presented new declarations in the biological area and has undertaken to work with the Commission to continue to improve these declarations. As a result of these developments, interim monitoring in the biological area has now started.

10. Initially, a delaying factor was that managers and senior personnel at sites being monitored were not sufficiently aware of the nature of ongoing monitoring and verification and of the Commission's rights to conduct it. However, the situation appears to be improving significantly as Iraq gains greater experience in ongoing monitoring and verification and so understands the need to educate key personnel at monitored sites.

11. There have been fewer problems in the exercise of the Commission's privileges and immunities during the period under review, with fewer challenges as to whether the Commission's activities are indeed related to resolution 715 (1991) (i.e. covered by the mandate to conduct ongoing monitoring and verification), only a few minor attempts to restrict or delay access to sites or personnel, and limited instances of tampering with tags. Harassment of Commission personnel has all but stopped and, while minor problems arose in relation to the operation of the aerial inspections, there have been no attempts to prevent the Commission from taking the photographs it is instructed to obtain.

12. However, in the autumn, the Iraqi authorities created a serious crisis with regard to the implementation of resolution 687 (1991). On 22 September 1994, the Iraqi authorities started to make threats to block the work of the Commission. In an effort to normalize the situation, the Executive Chairman visited Baghdad early in October 1994. In meetings with the Foreign Minister of

Iraq and other officials on 4 and 5 October 1994, the Iraqi side rejected all appeals by the Chairman to withdraw those threats. At this time, Iraqi troop movements in the direction of Kuwait had already started.

13. On 6 October 1994, a joint meeting of Iraq's Revolution Command Council and the Iraqi Command of the Ba'ath Party indicated that, unless the Security Council's consideration of the Commission's biannual report on the implementation of ongoing monitoring and verification (S/1994/1138 and Corr.1) to take place on or about 10 October 1994 were favourable to Iraq, Iraq might withdraw its cooperation with the Commission. This was rejected by the Council on 8 October 1994 in a statement by its President on behalf of the Council (S/PRST/1994/58). On 15 October, the Security Council adopted resolution 949 (1994), demanding "that Iraq cooperate fully with the Commission" and the withdrawal of "all military units recently deployed to southern Iraq to their original positions".

14. Subsequently, it became clear that Iraq did not follow through on its threats and, throughout the events surrounding the troop movements of October 1994, the Commission was able to continue its operations as usual. These developments served to underline the need continuously to watch Iraq's intentions and actions closely in relation to the work of the Commission. Any change in Iraq's current attitude towards the Commission will be reported to the Council immediately.

B. Missiles

15. In the missile area, the Commission has a fuller account of Iraq's past programmes but the issue of verification remains. Areas of particular concern relate to accounting for known imports of components and production equipment. Efforts to address these concerns have focused on increased contacts with supporting and supplier Governments and further discussions with Iraq. However, on several occasions, Iraq has not declared the full facts when issues have first been raised. A prime example relates to the import of a high-precision instrumentation radar which the Commission has firm evidence was imported for proscribed ballistic missile programmes and was used as part of the testing of proscribed missiles. Iraq denied this outright and has presented numerous different and conflicting explanations of the use and purpose of this radar. On 14 December 1994, the Commission informed Iraq by letter of its decision that the radar must be destroyed, stating:

> "The Commission's investigations into and judgements on this matter have relied on information obtained from a variety of different sources and on your authorities' own statements. From Iraq's own declarations, the radar was used around the time of two Al Abbas missile launches on 28 December 1990. Iraq subsequently acknowledged that the radar was installed at the testing site in Basrah on 26 December 1990, that adjustment and initial operations began on 27 December 1990, that testing activity and adjustment continued on 28 December 1990, and that the radar was disassembled and packaged on 29 December 1990. Most recently, Iraq further acknowledged that the radar was operating and the radar dish was pointed in the direction of the missiles during the two test launches.

"The Commission has, on the basis of all the information available to it, concluded that the radar was indeed involved in the tracking of proscribed missile systems on 28 December 1990. Consequently, the radar is an item which is proscribed under paragraph 8 of Security Council resolution 687 (1991). The radar and associated equipment has therefore to be disposed of in accordance with that paragraph."

16. Ongoing monitoring and verification has proceeded well in this area. Monitoring and verification protocols have been completed for the sites to be monitored and all missiles, components and equipment identified for monitoring have been tagged and inventoried. Fifty monitoring cameras have been installed at 15 sites and the missile monitoring group is proceeding with monitoring activities. In general, Iraq's declarations for missile monitoring have been adequate, although there have been some omissions, such as failure to declare stored dual-purpose equipment. These shortcomings are being addressed in the course of monitoring activities.

C. Chemical weapons

17. Similar problems exist in the chemical area regarding past programmes. The list of letters of credit obtained from Iraq in April 1994, while neither accurate nor complete, has provided the Commission with much new data and new avenues for further investigations. However, the Commission cannot yet be certain that it has accounted fully for all the precursors and production equipment imported. These uncertainties, coupled with a lack of substantiation of the disposition of chemical munitions, renders a full material balance for the chemical weapons programmes impossible for the moment.

18. Ongoing monitoring and verification is also proceeding well in this area, although it is less advanced than in the missile area. Monitoring and verification protocols have been completed for all the key sites and the key items have been tagged and inventoried. A chemical monitoring group is in Iraq operating out of the Baghdad Monitoring and Verification Centre. It is completing the protocol-building and tagging process at sites of secondary importance, such as universities, while conducting ongoing monitoring and verification of key sites. Four chemical sensors have been installed at one site and a further 20 should be installed at other sites in January 1995. Monitoring cameras and flow meters should be installed by the same date. A small chemical laboratory will be installed at the Centre in February 1995.

19. The Commission will experiment with a number of different configurations for the disposition of the chemical sensors, some being placed inside buildings and others outside, to assess the best combination of sensors, given the chemical processes and number of buildings involved and the prevailing wind conditions. These experiments should take about six to eight weeks to complete.

D. Biological weapons

20. The Commission faces its greatest problems in accounting for Iraq's past biological programme. Iraq's account is minimal and has no inherent logic.

While access has been provided to interview the personnel involved in the declared programme, interviewees refused to answer questions relating to the programme, providing only incomplete and misleading information. While Iraq maintains that the programme was in the early research stages and would be defensively oriented, the indications all point to an offensive programme. In these circumstances, the Commission cannot yet provide a material balance for this programme.

21. The Commission has also faced greater problems in seeking to establish ongoing monitoring and verification in the biological area than it did in the other areas. Iraq's declarations of dual-purpose items were, until recently, often largely incomplete, inconsistent with each other and with the findings of inspection teams, and not updated with notifications of movement of declared items from one site to another.

22. To redress this situation, the Commission requested that Iraq provide new and complete declarations for all the sites to be monitored and instructed Iraq on how these declarations should be formatted. New declarations were submitted in November 1994. Currently, Iraq is working with inspection teams in Iraq to improve these declarations. In addition, an interim monitoring group has been dispatched to Iraq to obtain for the key sites the information that Iraq should have declared and which is required to create monitoring and verification protocols for those sites. Thereafter, this group will monitor these key sites. However, as this procedure is time- and resource-intensive, it cannot be followed for each of the numerous biological sites to be monitored.

23. In the meantime, the Commission has identified, inventoried and tagged a large number of dual-purpose items which will need to be monitored. A second round of inventorying has been necessitated by Iraq's failure to declare all such equipment and to notify movement of it and because of damage to tags already installed. Plans are in hand to install monitoring cameras at a number of sites to monitor activity levels and to install a biological laboratory at the Baghdad Monitoring and Verification Centre.

E. Aerial surveillance

24. Aerial surveillance, both by helicopter and by high-altitude aircraft, continues to be key to the efficacy of the Commission's overall ongoing monitoring and verification effort. Without these assets, the Commission's ability to identify undeclared facilities of potential interest for ongoing monitoring and verification would be greatly diminished. Furthermore, the efficiency with which the Commission could monitor the large number of declared sites would also be greatly reduced. It is worrying, in this regard, that Iraq still objects to each flight of the Commission's high-altitude surveillance aircraft.

25. The aerial inspection team continues to perform a valuable task of obtaining close-up photography of monitored sites. Furthermore, with the arrival of the monitoring groups resident in Iraq, joint aerial inspections, with inspectors from the aerial inspection team and the weapons experts from one or more monitoring group, are creating new synergy and efficiency in monitoring.

The contribution by the Government of Germany of three CH-53G helicopters, crew and maintenance staff is key to the performance of this and other essential tasks. It has been of the greatest importance in the implementation of the mandates of the Commission and the International Atomic Energy Agency (IAEA), particularly in areas remote from Baghdad. The Commission's aerial assets are currently fully utilized and it is envisaged that monitoring efforts will increasingly rely on their use.

F. Baghdad Monitoring and Verification Centre

26. Work continues to complete the installation of the equipment for the Baghdad Monitoring and Verification Centre. Some installation work in the period under review had to be delayed and rescheduled because of the lack of funding. Recent assurances as to new financial contributions have permitted the resumption of the work involved, and it is hoped that the Centre will be fully equipped and staffed by the end of February 1995. Thereafter, only minor adjustments to its staffing would be envisaged in the light of experience until the addition of an export/import control group to supplement the monitoring groups.

G. Data handling

27. The Commission's activities generate a large amount of data. The Commission, with the help of a supporting Government, has developed and is continuing to develop software for a single relational database to allow easy and full analysis of the data obtained from all sources. In addition, another Government is helping with customizing a second, compatible database specifically for handling the export/import data. This system should be installed by the end of February 1995.

H. Export/import mechanism

28. The Commission has conducted further seminars with international experts to develop further the export/import mechanism. There appears to be general agreement in the Sanctions Committee on the underlying concept of the paper submitted to it by the Commission and IAEA in May 1994. The Commission hopes to reconvene its seminar of international experts in early January 1995 and so to be able to submit a final version of the concept paper to the Sanctions Committee towards the end of January 1995. It is envisaged that the paper would be forwarded to the Security Council for its consideration soon after. Revised annexes to the plans of the Commission and IAEA for ongoing monitoring and verification will also be brought to the Council's attention before they are implemented. These revised annexes will contain the comprehensive listing of items to be reported by exporting Governments under the mechanism.

III. ISSUES AND PRIORITIES FOR THE FUTURE

29. Iraq must provide credible accounts for all its past proscribed programmes and capabilities and supporting evidence to enable the Commission independently to verify its declarations so that the Commission can achieve a material balance for the past programmes and thereby have confidence that its ongoing monitoring and verification system is proceeding from a sound basis. Without such confidence, the Commission cannot be certain that it is indeed monitoring all the facilities and items in Iraq which should be monitored if the requirements of the Security Council are to be fulfilled. Furthermore, failure by Iraq to provide full and transparent accounting of its past programmes can only undermine confidence in its intentions and in the completeness of its declarations in this regard. The speed with which this issue can be resolved is primarily dependent on Iraq's openness and honesty, although supplier Governments can also play a significant role in responding to the Commission's requests for assistance in verifying Iraq's accounts of its imports. The absence of such responses can only delay the Commission's efforts to obtain a credible material balance for Iraq's past programmes. Certain supplier Governments have been very forthcoming and the Commission is pursuing its efforts with those which have still to reply.

30. Iraq should also provide complete data on all its current dual-purpose capabilities as defined in the plan for ongoing monitoring and verification contained in document S/22871/Rev.1. While, in the absence of full Iraqi declarations, the Commission could conduct intrusive inspections at all relevant facilities to uncover all such capabilities, this would be neither an efficient use of the Commission's resources nor the quickest means of implementing the terms of paragraph 22 of Security Council resolution 687 (1991).

31. Iraq has also yet to adopt the necessary legal and administrative measures to give effect to its obligations under the plan for ongoing monitoring and verification, although it is known to be working on the necessary legislation.

32. Efforts to establish an effective ongoing monitoring and verification system are well-advanced. The system is provisionally operational and testing of it has begun. With the installation of further elements of the system, the Commission will gain experience in operating and confidence in the efficacy of the system. By the end of February 1995, the Baghdad Monitoring and Verification Centre should be fully staffed for its current operations.

33. An increasing share of the Commission's resources will in the future be devoted to the establishment and, upon the easing of the sanctions in accordance with paragraph 21 of Security Council resolution 687 (1991), operation of the export/import mechanism. The export/import mechanism is a fundamental element in the overall ongoing monitoring and verification system. Without it, once Iraq is able to import dual-purpose items, the system could not be expected to be effective. It is essential that this mechanism be operational prior to the easing of sanctions to the extent that Iraq is able to import such items. The Commission is pressing to have all the legal and practical elements adopted as soon as possible.

34. A major concern facing the Commission at this stage is financing. Activities to equip the Baghdad Monitoring and Verification Centre have already been delayed because of the lack of guaranteed funds to pay for the materials required. Furthermore, while the short-term financial crisis reported in October 1994 appears to have been addressed through the promise of funds from Kuwait and the United States of America, the Commission only has promises of funding until the end of March 1995. Insecure medium-term funding limits the Commission's ability to conduct long-term planning and hence will inevitably create inefficiencies. It may, in the worst case, adversely affect the effectiveness of the Commission's ongoing monitoring and verification regime or even endanger continuous operations. A long-term solution to the issue of the Commission's financing is necessary to ensure the fulfilment of the mandate contained in section C of Security Council resolution 687 (1991).

IV. CONCLUSION

35. While the preceding paragraphs inevitably dwell on outstanding issues where further work remains, much progress has been made during the period under review towards the fulfilment of the Commission's mandate. All items verified as being proscribed have now been destroyed. The ongoing monitoring and verification system is provisionally operational. The major elements for chemical and missile monitoring are in place. Interim monitoring in the biological area is about to commence. Testing of the system has begun, and a mechanism for monitoring Iraq's trade in dual-purpose items (the export/import mechanism) has been elaborated and appears to meet with approval.